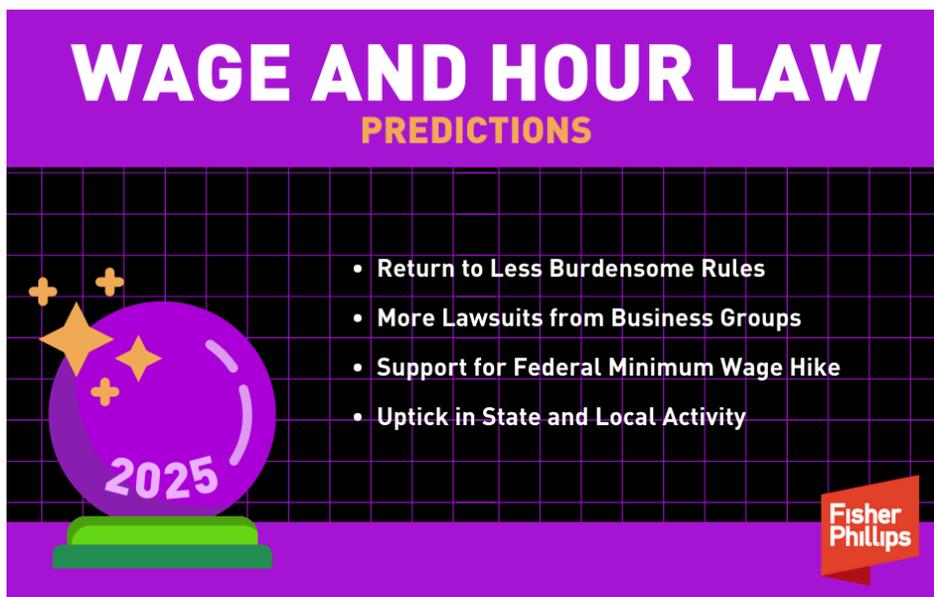


FP'S TOP WAGE AND HOUR PREDICTIONS FOR EMPLOYERS IN 2025

Insights

Jan 13, 2025

Our Wage and Hour Practice Group thought leaders have pulled together their top predictions for the new year so that employers can get a running start to 2025. If you want more, [register for our FP Workplace Law Forecast Webinar here](#).



WAGE AND HOUR LAW
PREDICTIONS

- Return to Less Burdensome Rules
- More Lawsuits from Business Groups
- Support for Federal Minimum Wage Hike
- Uptick in State and Local Activity

2025

Fisher Phillips

Return to Less Burdensome Rules

As the new Trump administration takes shape, we don't think the DOL will pick up [the legal battles over the OT rule](#), and the threshold will remain just above \$35k for now. However, we do anticipate that the DOL will take steps to modestly increase the salary threshold (as it did during the first Trump administration). This means employers have some critical decisions to make on how to move forward with compensation plans, particularly since many employers

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already complied with the now-halted phase one of the rule, which raised the threshold to \$44k.

We also expect the DOL to [drop a Biden-era independent contractor standard](#) and return to the more lenient rule issued during Trump's first term. You can read more [here](#) about the Biden-era rule, as well as the former Trump administration rule that we expect to see resurface.

Similarly, we think the DOL will shift back to its pre-Biden, more employer-friendly joint employer standard. During the first Trump administration, the DOL attempted to shield businesses from being considered joint employers in a wide spectrum of circumstances, [but that rule was blocked by the courts](#). Stay tuned for more on this topic.

More Lawsuits from Business Groups

In addition to the Trump administration returning to more flexible rules, we expect businesses to continue challenging Biden-era rules as exceeding authority. Notably, SCOTUS [issued its blockbuster ruling in 2024 in *Loper Bright*](#), which overturned the famous *Chevron* doctrine and held that courts shouldn't defer to an agency's interpretation of an ambiguous federal statute.

Already, the district court that blocked the overtime rule in November [cited to the SCOTUS decision in its ruling](#). We expect even more litigation in 2025 challenging DOL rules under the new Supreme Court precedent.

Support for Federal Minimum Wage Hike

Although President-elect Trump criticized the idea of increasing the federal minimum wage as harmful to small businesses during his 2020 campaign, the political winds have shifted a bit since then and his 2024 campaign supported "raising wages." It would not be surprising to see a push for a slight increase to the \$7.25/hour federal minimum wage – but nowhere near the \$15/hour rate supported by the Biden administration. Of course, Trump would need the approval of Congress to carry out any federal minimum wage hike, so that must be taken into account.

Uptick in State and Local Activity

We predict that the federal government will ease its enforcement efforts in 2025. On the flipside, we expect to

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see more activity at the state and local level. As employers continue to face costly wage and hour actions, you should note that state and local requirements can vary significantly — which makes it critical to stay informed about workplace trends in the locations where you operate.

Want More?

- You can read our entire [FP Workplace Law 2025 Forecast here](#), full of predictions spanning many practice areas and industries.
- You can [register for our FP Workplace Law Forecast 2025 Webinar here](#).

Conclusion

We will continue to monitor developments related to all aspects of workplace safety law. Make sure you are subscribed to [Fisher Phillips' Insight System](#) to get the most up-to-date information. If you have questions, contact your Fisher Phillips attorney, the authors of this Insight, or any member of our [Wage and Hour Practice Group](#).